

MINUTES OF THE
JOINT HEALTH AND HUMAN SERVICES APPROPRIATIONS SUBCOMMITTEE
THURSDAY, FEBRUARY 12, 2009, 2:00 P.M.
Room 30, House Building, State Capitol Complex

Members Present: Sen. Allen M. Christensen, Co Chair
 Rep. John Dougall, Co Chair
 Sen. Patricia W. Jones
 Sen. Margaret Dayton
 Sen. Daniel R. Liljenquist
 Rep. Kraig Powell
 Rep. Rebecca Chavez-Houck
 Rep. Keith Grover
 Rep. Ben C. Ferry
 Rep. Paul Ray
 Rep. David Litvack

Staff Present: Russell Frandsen, Fiscal Analyst
 Stephen Jardine, Fiscal Analyst
 Cami Deavila, Secretary

Public Speakers Present: Adam Trupp, Association of Counties

A list of visitors and a copy of handouts are filed with the committee minutes.

The meeting was called to order by Co-Chair Rep. Dougall at 2:27 p.m.

1. Welcome and Overview by Rep. Dougall
2. FY 2010 Budget Discussion and Voting

Rep. Dougall explained the handouts: Base Budget Recommendations, Optional Reductions, motion sheet, fee schedules, additional intent language sheet and agenda.

Rep. Litvack asked that if there were any changes on the new budget sheets distributed to the committee, could they be specifically pointed out.

Rep. Dougall stated that staff has fixed titles where things were eliminated, and put add back numbers on it.

MOTION: Sen. Liljenquist moved to adopt the Base Budget Recommendations-Health and Human Services-Chair Proposal-dated February 12, 2009.

Rep. Dougall opened up discussion to the motion to adopt Base Budget Recommendations.

Rep. Litvack asked that before the motion go through, any changes to the Base Budget Recommendations be highlighted.

Rep. Dougall walked through the changes made for the final Base Budget Recommendations.

Rep Litvack wanted the chairs to address, for the committee and public, that the cuts they are looking at for 2010 are in addition to the 2009 cuts.

Rep. Dougall explained that the FY 2009 budget changes have already been made. The handout is for ongoing General Fund reductions for FY 2010 only. Those are incremental changes based off of what is existing in the 2009 budget.

Sen. Jones asked how the loss of federal dollars are accounted for in the budget.

Rep. Dougall clarified that the budget sheet lists this in the column Other Funds Reduction. This shows the loss of federal funds on the state level, not the county level. He expects the counties will update this information so it can be passed on to EAC. This is the insight they have at the state level, they do not have that insight at the county level.

Sen. Jones would like to know the impact at the county level before they move forward.

Mr. Trupp replied that the cuts at the county level vary. One program has a 3 to 1 match, another has a 1 to 1 match. These are dollars that don't come directly to the state so it has no impact on the state budget. These are very severe cuts and have a lot of ramifications. The counties have had this information for a while and have been watching as the process moves forward, recognizing they have to know what the impact is beyond just what the numbers are at the state budget - what is the impact that is passed on to the counties.

Sen. Jones would like to make sure the committee consider that as they prioritize the add back items.

Rep. Ferry appreciates what information the counties are providing. The committee needs that information when they go to EAC and in making the prioritizations for add back. That gives EAC the idea of the entire impact.

Mr. Trupp understands the current crisis and is hoping to find other money for funding.

Rep. Litvak wanted an understanding of add back item 16. The cut of \$1,750,000 is in addition to the ongoing cut from 2009 and the actual cut for 2010 is \$3.5 million. He wondered if it is matched with Medicaid.

Mr. Trupp confirmed that over a period of time the reduction is expanded beyond what that cut is based on the fact that the federal government is saying that the state is not maintaining its efforts, therefore the federal government rates will reduce.

SUBSTITUTE MOTION: Rep Litvack moved that the chairs, in presenting to EAC, highlight the impacts of federal funds - both for state and county. That the chairs address, in whatever careful words they choose, the impact to programs and services and that it is the request of this committee for the need of this area as a priority for backfill.

Rep. Ferry, Rep. Dougall, Sen. Liljenquist and Rep. Litvak discussed the motion.

The motion passed with Sen. Dayton and Rep. Grover voting in opposition and Rep. Powell absent for the vote.

MOTION: Sen. Liljenquist restated the motion to adopt the Base Budget Recommendations-Health and Human Services-Chair Proposal-dated February 12, 2009.

Rep. Litvak wanted to highlight several concerns. He supports the underlying motion. The committee has done the best it can, there are certain tools not available to this committee that may be available to EAC. There are several areas he wanted to make sure were understood. Rep. Litvak had discomfort looking at add back item #49 and other Personal Services and Current Expense Reductions - that the cuts are being made in the name of efficiency. What is happening with the cuts is that staff is being cut, not administration, but case workers. When the budget is passed in this committee it is an endorsement, of sorts, and he wanted to be clear in opposition of a couple of items. The cuts are going to affect programs. It is not an issue of efficiency but an issue of access to care. Those cuts are being passed on to the counties. In order to maximize the FMAP our Medicaid eligibility needs to be at the 2008 level. The cuts won't allow that to happen. If the federal stimulus package goes through, Rep. Litvak would not like other cuts to be identified in the Dept. of Health, because some cuts were prevented due to federal assistance. He supports the motion, but doesn't support the types of cuts that are taking place.

Sen. Liljenquist understood Rep. Litvak's concerns. The committee has taken into consideration the stimulus money. This is difficult, but priorities need to be lined up and they appeal appropriately for the budgets. This is the hardest committee to work for in these times, but Sen. Liljenquist is pleased with the budget that has been brought forth.

The motion passed unanimously.

Rep. Dougall explained the motion sheet.

MOTION: Sen. Christensen moved to accept the intent language and the Office of Recovery Services processing fee sheets.

The motion passed unanimously.

Rep. Dougall explained and read the additional intent language sheet.

MOTION: Rep. Ferry moved to accept the additional intent language on a separate sheet.

Rep. Chavez-Houck asked to expand the additional intent language sheet to include "and improve health literacy" at the end of the first sentence.

SUBSTITUTE MOTION: Rep. Litvak moved to accept additional intent language on separate sheet and amend item #2 to have "and improving health literacy" added right after "cost of medical care."

The motion passed unanimously.

MOTION TO RECONSIDER: Sen. Christensen moved to reconsider his original motion "to accept the intent language and the ORS processing fee sheets" and moved to adopt the language on the motion sheet and the ORS Processing Fee sheet.

The motion passed unanimously.

MOTION: Rep. Liljenquist moved to adjourn.

The motion passed unanimously.

Co-Chair Rep. Dougall adjourned the meeting at 3:25 p.m.

Minutes recorded by Cami Deavila, Secretary

Sen. Allen Christensen, Committee Co-Chair

Rep. John Dougall, Committee Co-Chair